

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Bruce A. Fogelson Art Unit: 3688
Serial No.: 09/885,970
Filed: June 21, 2001
For: METHOD AND SYSTEM FOR CREATING ADVERTISING BOOKS
Attorney Docket No.: 80216

DECLARATION OF BRUCE A. FOGELSON

Assistant Commissioner for Patents
Washington, D.C. 20231

Sir:

I, BRUCE A. FOGELSON, am the named inventor in the above-identified application and make the following statements based upon my own personal knowledge and experience.

- (1) My family has been successfully involved in the real estate and building industry for three generations and our success has afforded us the privilege of being raised to be generous financially and with our time, expertise and leadership to charity and faith-based and numerous other types of not-for-profit organizations in many ways.
- (2) I have received a BSBA degree in 1983 from the University of Denver in Real Estate Development and Finance. I have mostly worked in real estate and related fields and for the vast majority of my career I have been an innovative entrepreneur.
- (3) I have been involved in charitable, political or other not-for-profit organizations and fundraising for over 30 years.
- (4) I have been a working member of charitable Ad-

Book fundraising committees before 1999 and have been associated with charity Ad-Books as a donor or soliciting group member for many years prior to 1999, and as best as I can recall, to as far back as the early 1980s. I can recall in 1983-84 specifically using one of the first personal computers, the Apple III+, to organize my regular bible study group into a larger organization combining the then new data-base and mail-merge technology to organize the group, create semi-custom flyers. Thanks to these early efforts and my home-technology, this class went on to be one of the larger local community groups even today.

- (5) Prior to 1999, I realized that Ad-Book fundraising based upon existing methods of making Ad-Books were expensive and inconvenient and lacked even any continuity in methods used by different groups, but that commonalities could lead to greater efficiency and even automation.
- (6) Prior to 1999, I began to search for, compare and contrast Ad-Books and Ad-Book solicitation forms and methods and take note of various methods of creating Ad Books used by the many different fundraising organizations I was exposed to and identify commonalities that could lead to greater efficiency and even automation.
- (7) Prior to 1999, I conceived the idea of using a computer or computers and a network server with novel software programming features for creating and or managing Ad-Books as a method for gaining automation and greater efficiency.
- (8) Prior to 1999, I conceived the idea of creating and or managing and or providing Ad-Books over the internet and or through a website. This idea included simultaneously servicing numerous different types of not-for-profit groups while providing semi-custom features for each single group. Not only did I believe that automation could provide greater efficiency, but I believed that the specialized needs of like-kind groups could be met, regardless of proximity, and that the qualitative or collaborative efforts of like-kind groups could be recognized and captured in

ever improving software development and deployment while maintaining the core functions of ad-book solicitation, management and publishing.

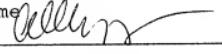
- (9) In August 1999, I prepared the confidentiality agreement attached as Exhibit I (dated August 30, 1999) to solicit business partners and bids or to contract or hire or secure the other technical elements for developing my Ad Book invention.
- (10) In August 1999, I began to create the Power Point slide presentation attached as Exhibit II (dated 10/7/99) that shows the salient features of my invention.
- (11) In February 2000, I prepared comprehensive descriptions of my invention for Ad-Books attached as Exhibit III (dated 2/28/2000) that further shows additional salient features of my invention.
- (12) By at least February of 2000, conception of all of the claimed elements of my invention was complete and I have practiced due diligence in reducing my invention to practice from February of 2000 to the filing date of above-identified patent application on June 21, 2001.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Date: September 18, 2008


Bruce A. Fogelson

The above signed Bruce A.
Fogelson is known to me
Notary Public:

 Date: 9-18-08

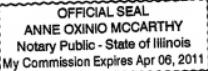


EXHIBIT A

Mutual Non-Disclosure Agreement [computer file history verified dated 8/30/1999 See Exhibit A]
This Agreement (the "Agreement") is made as of _____, 1999 by and between ZMA, Inc., and Paramount Homes Inc., Illinois corporations and its affiliated owners, agents, with its principal place of business at 2731 N. Lincoln, Chicago Illinois, 60614 ("ZMA") and _____, a _____ corporation with its principal place of business at _____ with its owners, agents, employees, affiliates, Etc. ("Participant").

ZMA is in the real estate and related business and Participant is in the business as a service provider. In order to pursue the mutual business purpose specified Exhibit A (the "Business Purpose"), Participant and ZMA recognize that there is a need to disclose to one another certain confidential information of each party to be used only for the Business Purpose and to protect such confidential information from unauthorized use and disclosure, even from the inception of the relationship (if any).

In consideration of the each party's non-disclosure of such information, each party agrees:

This Agreement will apply to all information by and between one party to the other party, including information listed in Exhibit A and other information which is derived or developed in connection therewith all of which are deemed to be valuable and important trade secrets ("Confidential Information").

Each party agrees:

- (i) to hold the other party's Confidential Information in strict confidence,
- (ii) not to disclose such Confidential Information to any third parties, and
- (iii) not to use any Confidential Information for any purpose except for the Business Purpose. Each party may disclose the other party's Confidential Information to its responsible employees with a bona fide need to know, but only to the extent necessary to carry out the Business Purpose. Each party agrees to instruct all such employees not to disclose such Confidential Information to third parties, including consultants, without the prior written permission.

The standard of care to be exercised by the receiving party to meet the obligations set forth in this Section shall be the standard exercised by the party with respect to its own proprietary information of a similar nature, but in no event less than reasonable due care. Confidential Information will not include information which: i) is now, or hereafter becomes, through no act or failure to act on the part of the receiving party, generally known or available to the public; ii) was acquired by the receiving party before receiving such information from the disclosing party and without restriction as to use or disclosure; iii) is hereafter rightfully furnished to the receiving party by a third party, without restriction as to use or disclosure; iv) is information which the receiving party can document was independently developed by the receiving party; v) is disclosed with the prior written consent of the disclosing party.

Upon the disclosing party's request, the receiving party will promptly return to the disclosing party all tangible items containing or consisting of the disclosing party's Confidential Information and all copies thereof. Each party recognizes and agrees that nothing contained in this Agreement will be construed as granting any rights or licenses to the receiving party, by license or otherwise, to any of the disclosing party's Confidential Information except as specified in this Agreement. Each party acknowledges that all of the disclosing party's Confidential Information is owned solely by the disclosing party (or its licensors and/or other vendors) and that the unauthorized disclosure or use of such Confidential Information would cause irreparable harm and significant injury, the degree of which may be difficult to ascertain. Accordingly, each party agrees that the disclosing party will have the right to obtain an immediate injunction enjoining any breach of this Agreement, as well as the right to pursue any and all other rights and remedies available at law or in equity for such a breach. This Agreement will be construed, interpreted, and applied in accordance with the laws of the State of Illinois (excluding its body of law controlling conflicts of laws). This Agreement and Exhibit A attached hereto are the complete and exclusive statement regarding the subject matter of this Agreement and supersede all prior agreements, understandings and communications, oral or written, between the parties regarding the subject matter of this Agreement. This Agreement will remain in effect for five years from the date of the last disclosure of Confidential Information, at which time it will terminate. IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers or representatives.

ZMA, Inc.

Participant

By: _____

By: _____

Title: _____

Title: _____ Date: _____

EXHIBIT A

1. Business of Participant: Creating and/or maintaining a publishing or Internet, or world wide web site or other business of similar distribution with the purpose of assisting it all or part of the transaction, information, guidance, support, advertising, commerce, communication, execution of transactions or promotion of business with regards to

REAL ESTATE - NEW HOME SELECTIONS - NEW CONSTRUCTION BUYER / BUILDER STANDARDS & EXTRAS AND REAL ESTATE CLOSING TRANSACTION(S)

AND/OR

NOT FOR PROFIT OR FOR PROFIT "AD-BOOKS" OR "CALENDARS" SUCH AS USED FOR PRIMARILY FOR FUND-RAISING BY / FOR / SUCH AS : SCHOOLS, POLITICAL CAMPAIGNS, RELIGIOUS GROUPS, CHARITY ORGANIZATIONS, AND OTHERS WHO REGULARLY RELY ON SOLICITATIONS AND PROMOTIONS IN FUNDRAISING.

AND/OR:

2. Business Purpose: Creation and/or operation of Internet related enterprises and products by or relating to ZMA's prior and or ongoing business purposes.

3. Confidential Information of Paramount Homes or ZMA:

- a. Any business plan or proposed business venture initiated or created by Paramount Homes for deployment on the Internet or any other form of media proposed.
- b. Trade secrets, marketing programs, or proprietary information the Participant may encounter during the course of business with Paramount Homes / ZMA.

4. Confidential Information of Participant: Proprietary information not utilized by the Participant to advance the business ventures of Paramount Homes.

5. The attached exhibits including page _____ of _____ referred to as

are attached hereto and expressly contained herein.

ZMA, Inc.

Participant

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Computer - File reference found / verified as far back as 8-30-1999 - BAF]



EXHIBIT B

Ad Book Org

ZMA

Copyright 1999 ZMA

What is an Ad Book?

- Ad Books are Fundraisers!
- Ad Books Raise Money for Organizations
- Sponsors Pay Rates Based Upon Size and Placement of Ad, not Circulation
- Ad Book is Distributed only at a Function or Directly to Members and Advertisers

Copyright 1999 ZMA

Functions of Ad Books

- Fundraising
- Self Promotion of an Organization
- Promote Supporters of Organizations
- Small, Selective Distribution
- "Advertisers" = Sponsors

Copyright 1999 ZMA

Goals

- Internet Solution
- Mechanism for Organizations
- Greater Presence for Non-Profits

Publishing Via the Internet- Capture Web
Public Services

Copyright 1999 ZMA

Description

- Organizations Use Us to Create Their Ad Book
- Ads with Layout over the Internet
- Distribute Ad Books in Print and Cyber Form

Copyright 1999 ZMA

Features

- Quality Ad Book Product, Printed and Distributed
- Ad Book with an Online Presence has a Longer "Shelf-Life" & Just Click to Use
- "Web Page" for Groups That Do Not Have an Online Presence

Copyright 1999 ZMA

Features (Cont.)

- **Create a New Ad Venue to Support Organizations by Pre-Selling Ads from National Companies to**
 - Boost Revenue to Organizations
 - Open a New Market for National Advertisers
 - Companies can also be “Sponsors” of the Community

Copyright 1999 ZMA

Features (Cont.)

- **Create a New “Community” of Links with “Sticky” Users**
- **Automation of the Solicitation Process to Recapture Past Advertisers**

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Ad Book Market

- Schools
- Churches
- Political Groups
- Trade Associations
- Unions
- Lodges
- Fraternities and Sororities
- Sport Teams
- Fan Clubs
- Non Profits
- Art Clubs
- Community Groups
- Block Clubs
- Associations
- Hospitals
- Charities
- Campaigns
- Fundraisers
- Building Funds
- Social Clubs
- Moose Lodge
- Scout Troops
- Medical and Legal Associations
- Non Governmental Organizations
- Theatre Groups

Copyright 1999 ZMA

Competitive Analysis

- Competitors
 - Have not Implemented This Idea on the Internet (See Examples in Appendix)
- Strengths
 - Untested Market for Internet
 - Modular Design
 - Economies of Scale
 - Marketing to Advertisers
- Weaknesses
 - Untested Market for Internet

Copyright 1999 ZMA

Technology

- **Use of Internet Creates**
 - Inexpensive Way to Create Ad Books
 - Allows Ad Purchasers to Directly Control Layout of Ads (HTML, Acrobat, Photoshop)
 - Central Depository
- **Publishing Paper Ad Books**
 - Computers Allow Us to Print and Distribute Ad Books (Eliminate Kinkos and Related Printers)

Copyright 1999 ZMA

Team/Resources

- **Management**
- **Web Design / Platform Development**
- **Marketing**
 - Community Outreach
 - Advertisers/Sponsors
- **Legal Team**

Copyright 1999 ZMA

Benefits to Organizations

- Web Presence That Provides a Forum
- Low to No Cost to Organizations for Service
- Simplification of a Time Consuming Process
- Network of Advertisers to Help Supplement Ad Book

Copyright 1999 ZMA

Benefits to Sponsors

- Simplistic Method to Place Ads
- Cyber and Paper Ad Books
- Direct Marketing to Specific Segments of Consumers
- Interactive or Direct Links to Advertisers/Sponsors

Copyright 1999 ZMA

Future Sites

- Community Resources
- Community Calendar
- Community Notebook
- Larger Publishing Ventures

Copyright 1999 ZMA

file "Community Ad Book - powerpoint.ppt"

Attest to and

Verified file DATE

10-7-1999 By

Bruce Fogelson

EXHIBIT C

CONFIDENTIAL

ed
BA

Business Plan v.2

AdBookOnLine.com, .net, .org

AKA

A sample of the corporate web-names reserved by ZMA in the .com, .net or .org:

[Mycommunitygroup](#), [yourcommunitygroup](#), [charitygroup](#), [communitygroup](#), [onlineadbook](#), [adbookassistant](#), [adbookonlineassistant](#), [adbook.org](#), [communityadbook](#), [Groupadbook](#), [schooladbook](#), [adbookprinter](#), [adbookprintsource](#)

A Chery Group Ad Book Consolidator, A Chery/Community Internet Service Provider and Creating a New Media For Ad/Sponsors

Our Mottos:

"Helping you raise moneys: Connecting the Charity/Community Group & Ad / Supporters and administration of Charity AdBooks with the help of the virtual-world of e-commerce. "We put your group first, period ("as in "dot-org"), and back you up with our back office."

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Web. Bruce@OnLineAssistant.net or
bafont2@yahoo.com
See Conditions Below:

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Draft notes – confidential – www.AdBookOnLine.com Business Plan

By Bruce A. Fogelson
Presidnet/Founder
ZMA, Inc. & OLA.llc
773-528-9077 – Fax: 8848
Bruce@OnLineAssistant.net

The following are the consolidated notes and images in thinking about our new business plans. This DRAFT is being issued for your private viewing and personal comment. Please respect the confidential nature of our plans and pardon this rough draft of ideas. I look forward to your comments and assistance.

Ad Book/CommunityGroup.com/.net/.org

The regular business of fundraising calls for community groups to “fan-out” for solicitations only to “get-back-together”. Many not-for-profit/community groups have volunteers or are under-staffed and have little or no “back-office”.

The regular tools of fundraising include ad-books, bake-sales, auctions, and similar scheduled events. These fundraising businesses are “re-invented” nearly every time as new members take over from year to year. Likewise, they rely on the “volunteer/members” to act as sales people and fundraisers for each event. These members have limited reach, limited support, and an old-fashion back-office.

The regular meeting place for community groups is in churches, schools and community centers. They do not often have state of the art offices or facilities. This is made harder by the part-time and off-hours that many such volunteer groups keep.

The Internet is a new coming together of communications, files, services, and communities. Many “web.” businesses refer to their users as “communities” or what we often call market segments or target markets or what politicians call constituencies. These new “communities” of users are in fact not communities but classifications. (Using the definition that a classification is what we call others and a community is what we call our selves) I argue that “communities” as a target market are already established around their own needs. Community groups such as schools, churches, charity, neighborhoods, causes, municipalities, amateur sports, politicians (more like a personality cult than community but very similar) and the like are existing communities.

These existing communities need better support in two ways. 1.) better meeting and business tools for fundraising and 2.) better "clusters" so that more can be raised by the "groups" as a whole.

Enter COMMUNITYGROUP.ORG. We propose to create web sites and solutions for these sorts of groups and cluster these groups so as to achieve greater symmetry and power for the group as a whole (in a seamless way so as not to interrupt the delicate independence and identity of each group).

At CommunityGroup.org, we put your name first and back up your fine work with our "back-office". Whether for the entire community group or just it's Ad-book or Calendar or Web-Page or Auction, we propose to create relatively common-thread web applications which can be accessed and supported by us but will "capture" the organization by offering their name, period, backed up by our site-solution. For example, your local school may soon be reached at www.jlkschool.communitygroup.org or your www.St.John.churchgroup.org or the www.paton-34.funddriveonline.org or the www.latinschool.adbook.org or the www.your-group-name-here.charitygroup.org, Etc, Etc, Etc,... We at communitygroup.org/.com/.net, through ZMA, Inc. will then offer "back-office" suite of services such as calendars, ad-books, meeting rooms, web-pages, publishing, membership, applications, visa, directories, e-mail, etc. All these will be open 24/7 and for a fraction of the cost.

By gently "Channeling" of focusing similar groups into similar patterns and practices we will create "clusters" of community groups. These are similar "target-markets" but rather than thinking of each individual as a spot on the target we like to think of just capturing the entire target (including each individual spot – the group representing the "target" and the individuals only being one spot in the various "rings" around the target") By capturing a target market of community groups we create an even larger critical mass based on a market theme and consisting of the "themes" of organizations, focus, group, and, members. For instance, picture a group of 25 local school councils or 35 regional high-school foot ball teams or 55 church groups or 200 local chambers of commerce or 75 local builder's associations or a dozen fan-clubs or car-clubs or 50 local alderman.

In each case these groups by them selves could not go to a national advertiser and ask for an ad in their ad – book. However, if we at ZMA can deliver such large groups to...oh, let's say the North Illinois Dodge Dealers for an ad in each book? Or, maybe the local McDonald's group or even your local builder who's kids are on the team but wants his trades to buy an ad (which also gets them a web-link).

It is our position that advertisers (as well as individuals) will want to "show support" and to local communities and groups. It is only the small and individual nature of these ads that keeps larger accounts away from these important opportunities to support their target-markets. Likewise, certain markets will naturally attract focused advertisers... Church groups for trips to the holly-land, caskets, books, etc...Sports teams for sporting-goods,...Etc.. Imagine how happy a community group would be if they knew that their

ad-book was pre-subscribed by \$\$\$\$\$. Groups would do an ad-book just to get the pre-sold group adds.

By marketing to and "capturing" community groups we effectively get to their members. We also avoid mass-marketing costs and can focus on administration and boards. The institutional quality of community groups offers a much more long lasting and broader client base. One person may change his web-page and addresses (like we change phone numbers) but a group will not soon look to re-enter all it's members names, let alone change its "address" and identity. Community groups are, using the vernacular, "sticky". In addition, the members them selves will turn to the group's "site" time and time again depending on the activities of the group that is naturally "sticky".

By offering them lo-cost and focused solutions on "getting-together" for such things as group calendar, group chat room, group board-meetings and voting, etc the group will appreciate their new tools and location more than they ever knew. By focusing the fund-raising data entry and collaboration and offering others the opportunity to "show their support" and "see their support" the group can now link from it-self to it's member's and sponsor's sites and generate further "good-faith"

ZMA, Inc. Plans to create this environment and bring it to market focusing on getting the groups themselves to sign up. (if they don't have a computer we'll buy them web-t.v. for \$150.00). This requires a focused national sale but should be substantially industry or group driven, not mass-market.

ZMA, Inc. will make money in the usual internet start-up ways but the focus of our revenue will be the e-commerce revenue by these groups regular fund-raising being charged by VISA/AM-Exp over the Internet with a processing surcharge. In exchange for this surcharge, we will provide proper accounting and back-office or e-business support. Members, supporters or givers can charge directly or the community group's regular staff can process their regular accounts through the site as they would now.

A typical ad-book page costs about \$25 to \$35 to produce and can sell for anywhere from \$100 to \$10,000. There should be a reasonable amount of "margin" in this formula for the cost to come down and quality to go up (via consolidated and internet publishing) and the transaction service of a new back office/meeting place.

This method also allows for payment, in effect, on contingency. No up-front payment means an easier "sale" to the organization who look to spend little or no money and make the "business" side of fundraising and organizations easier on the volunteers and members.

This narration dose not even touch on the "auction" aspects of these sites. One of the biggest aspects of fund-raising for such groups is their "re-sale-shop" or auction night. These work due to donations (with tax deductions) and sales to the organization (with tax deductions) and the ability to - pass-through - products to buyers with the money going

to the group. I can picture many more "gifts" to groups in support and more "sales" conducted for a group by the group's web-page auction than during one dinner auction.

The following are notes not yet processed in creating this narration. Like the idea they are early stage and very secrete.

Draft notes – confidential – www.AdBookOnLine.com Business Plan
By Bruce A. Fogelson

EXECUTIVE SUMMARY - OUTLINE

Com.group

Communicate

Com Group Members

Supplies Public

Tools - OLA will offer three levels of tools:

1. General 'suite'
2. "Category killer"
- 3."Semi custom"

The Suite

1. Client Folder utilizing
2. E. Mail utilizing
3. E. Commerce utilizing
4. Calendar utilizing
5. Conference (Chat) utilizing

These basic tools will leave the "back office" out of the way of the business simple web site and can be expanded, as tools become common.

The "category killer" is a tool or tools that requires an updated data-base or platform that is good for the community as a whole but more cost effective as a service than an in-house project and can link back to the business and it's users. The key examples are:

Category killer tool

Ad.books

Vast database hand entered by many sources with printer industry specific output and repeat renewal re-marketed for lower repeat cost.

Semi-custom services

Once in the family of OLA larger and growing users can use our "platform" to customize and add tools. This will also provide key ideas for generic application back into the industry segment.

The mission

1. Provide a suite of web-based tools within targeted "community" markets and businesses including A). Basic tools B-2-B (business to business) I. Calendar II. E-mail B-2-C (business to customer) III. E-credit card IV. Conference. B) Specialty "category killer" tools I. Builder/buyers = standards and extras II. Community groups ad-book- auction C. Business and client account files with info and "shopping cart"/ job folders to keep and coordinate work
2. Boost sales and speed commerce
3. Support industry solutions and innovation with standardized or synergistic E-tools
4. Create and manage industry co-marketing outlets within our industry business clients and between the business and consumers.
5. Create a workplace/point of purchase- industry by industry where pre-point of-post purchase can be maintained and fostered particularly in larger/multiple aspect purchases.
6. Create and promote back-office solutions to web business.

The industry - new home

The industry – not for profit organization (NPO)

The not for profit/charity/community based organizations (CBO) markets are as varied as any cause. Despite what these varied groups view as the heartfelt "product" their "sales" are surprisingly similar (to borrow the analysis from the profit world)

These point of purchase opportunities include such things as group membership, ad-books, raffle, events, auctions, project support, and flat out gifts

Industry size

The industry in America alone is well over \$150 billion to N.P.O. via foundation, individuals, corporate, government, etc. The IRS registers over 650,000 public charities and has grown by about 6%/year from 1989 to 1994.

Industry – historical – non-web

The current state of the industry is behind its “for profit” sector in many ways do to the obvious reasons of core philosophy are non-business. Heavy reliance on volunteers and the perceived lack of funding which can be rolled back into the organization

Industry – web

Few if any N.P.O.S have turned to the web for fund raising like the for profit world. Much of the limited use has been for promotion and not E-commerce. We have yet to find any service providers offering a “suite” of general E-solutions such as we are promising.

Although some sites are emerging in order to capture the donor dollar no sites seem to want to capture the community group itself (and then the E-commerce).

Our search of the industry is contained in appendix _____ a summary search of the search parameters is as follows:

Nearly every site which we believed could have been competitive has been visited and printed. See appendix _____.

Target markets – customer bases

Community group

Charity

Church group sports team

Condo association

Homeowners association

Block club

School

Hospital

Politicians

Associations

Marketing

Where as our target markets are industry specific we plan to use the most focused industry-direct marketing tools. These tools include such things as trade group publications, trade shows, direct mail, web-mail.

Attached exhibit _____ includes a list of targeted marketing venues and general budgets.

Select spot general marketing will also be utilized to build brand names and general traffic. The principal medium will be further defined by our ad consultant and us but radio and billboard are top on the list as of now.

Co-marketing will occur with our business users through their customers.

The "brand" identity as a component of marketing will exist on three levels in order to capture three types of users.

1. Generic-OLA. Will be targeted to industry/user groups so as to promote on line assistance to them on an exclusive basis. Thus a user can "log on" to our site via his site or directly using _____. On line assistant _____. This is most likely for larger brand sensitive type.
2. By market/task as a crossover to promote 3rd party customer support. Thus a user x, can log on directly or through his site to benefit from an industry endorsed 3rd party site.
3. Public/retail site: focusing on one or two key names our site will be the "back-door" for consumers to see and use the site for themselves (and against non-subscribers) thus a retail customer to builders depot can browse builder selections and to community group to find, join a community group.

4.

The competition

We have conducted the following market research in seeking out competitive and industry related sites these searches include:

Web brows search

Web browser searches by topic utilizing the following search parameters and search tools:

Name by name search

A name-by-name search of every possible name we can think of or run across has been conducted and every potential site visited. The home page of each such site is in the appendix_____

In order to grade the sites by similar if not similar.

We have used a subjective relative scale to "lump together". These comparable sites. Comparable or "comp" sites where subjectively grouped into the following categories:

1/4 comp: vaguely industry related but not competitive

1/2 comp: industry related but not directly competitive but somewhat or some part could emerge as a competitor or ally.

3/4 comp: directly related and competitive in whole or part. Not exact but worth closer review.

100% comp: head to head competitive in significant ways.

A table of the names searched is attached and constantly being updated.

Search names are also reviewed for useful or related tech-solutions or examples of good site execution or tools.

Search names are often "held" with no site yet established. These names which are researched are tagged N/A-H for not available-held and on N/A-C for not available-comp.

Sites are also tagged as "A" available - future or potential site name not yet taken

Our sites are indicated as "G" got. Site names are paid for and generally go to _____. The list of all site names is in appendix _____. Currently we own sites by industry as follows:

Online assistant ____

Community group ____

Other ____

Total names owned ____

Tools in place

As a service provider we do not consider limited web applications within a given users site to be competitive these cases such solutions are:

- A). Only for the user and not being marketed to the users peers.
- B). Do not represent a full suite.
- C). Do not have any "key category" functions.
- D). require custom installation and upkeep in house by non-web based business.

There is very little market penetration for web sites or web tools generally non businesses first obtain a site for promotion and e-mail. (such as , they might get a sign and a mail box.)

Even sophisticated self-site tool users would find benefit from the many features and updates offered by us to them and their industry category kill applications.

More by using the users own name and housing we/they keep identity.

The barrier to entry

As a business to business/community solution we feel that the current business-customer relations and trade names are valuable and coveted. In order to "slip" in to assist in the pre-existing relationship it is the "task name" and not a new "brand name" which may be allowed in.

As an industry-solution-task oriented application the name is a key to "what" as opposed to "who" thus our broad band of names allows our industry users to "call us what they will" and continue to promote their name before ours. Once in a business site to click on our site keeps the user "on-task".

Having secured these key industry specific names is one barrier for copycat entry.

Focusing on first to market service relationship in an industry is one barrier to entry. In ourB-2-B and B-2-C plan we will serve the business as the focus of our site. Businesses engage in habit forming repetitive use. Businesses are harder to move. Whole groups of

individual client data than individuals. Businesses and consumers are inclined to not "disconnect" to move to a new venue.

Creating the suite of products means that _____ can provide one -stop shopping for a mix of services.

Moreover the "category killer" solutions can/will become an industry standard and thus hard to catch up.

The ability to attract strategic partners

Strategic partner, supporters, sponsors, co-marketers..., these are the things one finds within an industry.

These non-threatening/cooperative relationships are well fostered in on-line industry. As easy as a hyperlink and we can cross promote industry "partners" some "industry partners" are as follows. Currently all such groups regularly co-market within their industry. Thus one "tool" that is both general and a "category killer" is cross marketing – made easy by our industry platform.

Community groups

Corporate sponsors	Suppliers	Associations
Experts/referrals	Government	Celebrity endorsements

The community group market sales model

Market	Product	
Sale		
Community groups	home page	free
Membership	E-commerce	\$_____
Members page		
Fundraisers		
<u>Raffle</u>	E-commerce	\$_____
<u>Auction</u>	E-commerce	\$_____
<u>Whatever</u>	E-commerce	\$_____
Ad Book		
Our local advertisers	E-commerce	\$_____
Our regional advertisers	E-commerce	\$_____
Member-advertisers	E-commerce	\$_____
Printing and publishing	E-commerce	\$_____
Web publishing		
E-mail broadcasting		\$_____
E-mail publishing (flyers)		\$_____
"Matching" gifts		\$_____
Direct fundraising %		\$_____
Public relations advertising		\$_____
Total		\$_____

The organization and team

Organizational chart



The team

Position(s)/description(s)

Compensation

(Candidates)

Employees – on staff consultants

Founder.

Bruce Fogelson

C.E.O.

. Bruce Fogelson

President

Sr. VP.

C.T.O.

Cari Perlman

Business consultants

Currently ZMA & its affiliates have ongoing relationships with OLA, llc.

Legal: Jenner & Block, Vedder Price, Wigoda & Wigoda, Mayer Brown and Platt

Accounting: F.E.R.S., Swidler Financial

Advertising/P.R.: Lynn Walsh Communications

Internet consultants

Web design

Web hosting

E-commerce/links

Draft – Confidential -

Industry size

The industry in America alone is well over \$150 billion to N.P.O. via foundation, individuals, corporate, government, etc. The IRS registers over 650,000 public charities and has grown by about 6%/year from 1989 to 1994.

Industry – historical – non-web

The current state of the industry is behind its “for profit” sector in many ways do to the obvious reasons of core philosophy are non-business. Heavy reliance on volunteers and the perceived lack of funding which can be rolled back into the organization

Industry – web

Few if any N.P.O.S have turned to the web for fund raising like the for profit world. Much of the limited use has been for promotion and not E-commerce. We have yet to find any service providers offering a “suite” of general E-solutions such as we are promising.

Although some sites are emerging in order to capture the donor dollar no sites seem to want to capture the community group itself (and then the E-commerce).

Our search of the industry is contained in appendix _____ a summary search of the search parameters is as follows:

Nearly every site which we believed could have been competitive has been visited and printed. See appendix _____.

In other words, we will offer:

1. A new (and in some ways better) meeting place and business tools:
 - a. Web Page
 - i. Permanent identity and coordination / meeting place (like a new phone number or store front but with lots more behind it.
 - b. Chat room

Notes:

- A. Add ad book in process**
- B. Add web site**
- C. More than one printing/distribution**
- D. Add a “like” group, direct publication to subscribers – news letter, etc.,**
- E. Ad “work in progress” & contest tools such as “thermometer”**
- F. Add matching gifts**
- G. National fundraisers – which will be distributed “pro rata” per group (yours is 1 of 100 w 1.5% of total**

funds raised, with you receiving 1.5% of the matching gift allocated for the national fundraiser)

H. Public relations tools i.e. news – “HPHS Giants on Their Way to the State Championships” (to help go to _____ . Idea)

I. Multi-year subscription/ future money upfront/cash flow/continuity

J. “Open Up So You Can See/Upgrade your ad versus your friends (on-line card calling/peer pressure)

K. Enter “community” names & get mailing lists. Enter community calendar & add friends & family birthdays, anniversaries, etc, memorial dates (founding, victory, Pastor’s) Link calendar with birthdays and e-retailers as a gift registry

a. Order on line

b. No duplicates in selections

c. No mall shopping

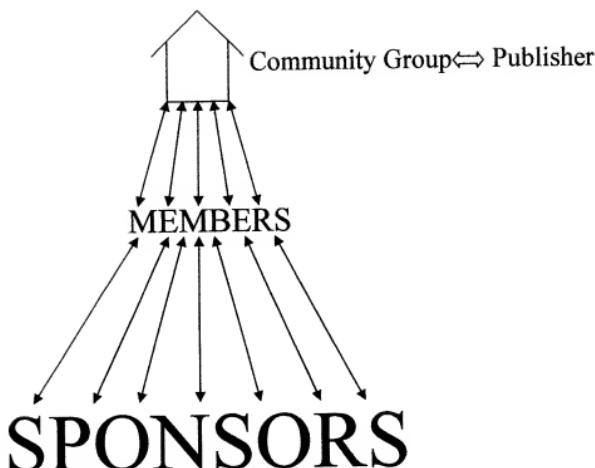
d. Send on line invitations

L. Recipe book online

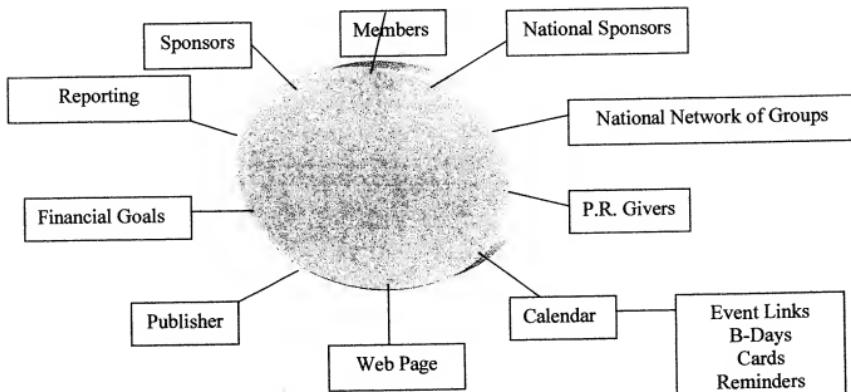
M. National ads sponsors

N. Puts sponsors names on web project

O. National “spokespersons” for campaigns that can be used for local level fundraising

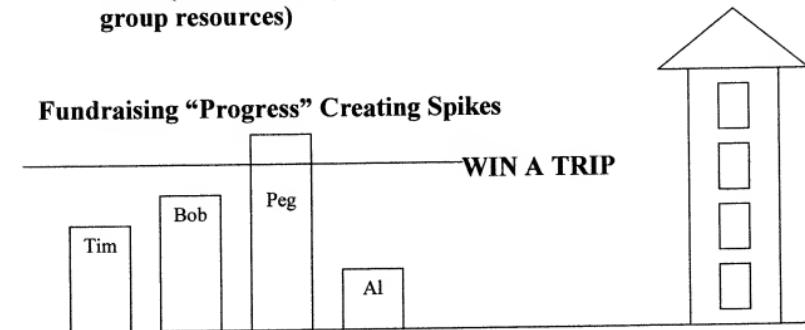
Business Methods

General Business Model

**Ad Book.com Business Model**

Marketing and Promotion

- A. Via trade publications and charitable circles
- B. Local community papers – charity announcements pages
- C. Via our “subscribers” newsletters (they pay us/we pay them)
- D. We give a free p.c. (\$500 value) for each group of over _____ people for them to automate their list and procedure (use to “capture” their market)
- E. Create a “window of _____” of fundraising – Image of a Church group raising \$ via Net v. Door to Door v. Picnic v. Bake Off v. Recipe Book v. Professional Phone Bank (use web as a quilt to patch together community group resources)

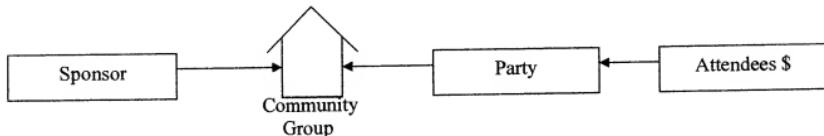
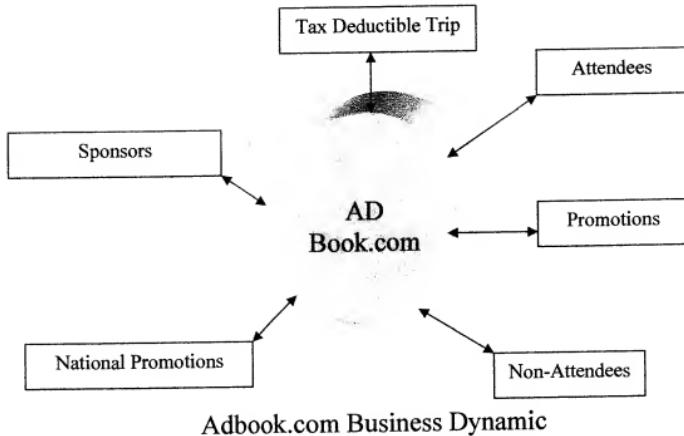
**Building Fund Example**

Promote Committees or Key Workers with Recognition Programs and Promotional Gifts

Example (Raise \$10,000 and get a free trip to Vegas compliments of a matching sponsor like ATA and we link to the sponsor’s web site)

Timing – On Line Auction with sponsor’s gifts etc. similar to silent auctions with those who can’t make it to a function.

Charity Auctions – Tax Deductible Gift in On Line Auctions for Tax Deductible Item Pay Group



Fund Raising Flowchart

Comparison Between Methods of Creating an Ad Book

Old Practices	New Practices
<p>Committees Call and Ask for Money Forms Collections Hand in Donations Process Groups Financial Accounting Products/Ads Send to Print (Delay in printing) Print Send to Group Members Distribute</p>	<p>Members Call Mail P.R. National Ads</p> <p>Online Forum Ad/Products Post Ad On Line Print or Multiple Print Messages E Mail to Group Books and News Goals Distribute Links to other resources</p>

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The following are names which we own, are considering or may be taken and are coded as follows for each of the .com, .net and .org: G = we Got the name N/A-H = not available, held but not in use, N/A - C = not available and in use, A = Available but we may get

Names:	.com	.net.	.org
CharityGroup.com/net/org			
mycommunitygroup	G	G	G
yourcommunitygroup	G	G	G
charitygroup	G	G	G
communitygroup	N/A-C	G	G
onlineadbook	L	G	G
adbookassistant	G	G	G
adbookononline	G	G	G
adbookononlineassistant	G	G	G
adbook	N/A-C	N/A-C	G
communityadbook	G	G	G
groupadbook	G	G	G
churchadbook	A	A	A
schooladbook	G	G	G
associationadbook	A	A	A
adbookcalendar	A	A	A
adbookprinter	G	G	G
adbookprintsource	G	G	G
communityadvertiser	N/A-H	G	G
donorsforum	G	G	N/A-C

foundationnation	G	G	G
communityauctioneer	G	G	G
donoronlineassistant	A	A	A
funddriveonline	A	A	A
onlinefunddrive	A	A	A
fundraiseronline	A	A	A
onlinefundraiser	N/A-C	A	A
silentcommunityauction	A	A	A
scoutcookies	A	A	A
subscriptiondrive	A	A	A
raffleonline	A	A	A
onlineraffle	N/A-H	N/A-H	N/A-H
raffle	N/A-C	N/A-H	N/A-C
charityexchange	N/A-H	A	
charityfoundation	N/A-C	G	N/A-C
funddrive	N/A-C	A	A
groupcalendar	N/A-C	A	
silentcharityauction	N/A-H	G	G
campagne	N/A-C	N/A-H	N/A-H
donornet	N/A-C	A	N/A-H
econtributor	N/A-C	N/A-H	N/A-H
essociation	N/A-C	N/A-C	N/A-C
givedirect	N/A-H	A	N/A-C

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